

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Parks	(2) MEETING DATE 9/18/2012	(3) CONTACT/PHONE Larry Iaquinto, Superintendent of Parks 781-5209	
(4) SUBJECT Request to approve a contract in the amount of \$186,576 with Fluid Resource Management for water/wastewater systems management at the Lopez Lake Recreational Area, District 4.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and instruct Chairperson to sign the three-year contract with Fluid Resource Management for the management and operation of the Lopez Lake water/wastewater treatment plant and related facilities pursuant to the exception to the Request For Proposal process in the County's purchasing policy for contract services.			
(6) FUNDING SOURCE(S) Parks 305	(7) CURRENT YEAR FINANCIAL IMPACT \$186,576.00	(8) ANNUAL FINANCIAL IMPACT \$186,576.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { x } Consent { } Presentation { } Hearing (Time Est. _____) { } Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS { } Resolutions { x } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001203		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A { } 4/5th's Vote Required { x } N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date <u>11/27/07, 6/03/08, 8/12/08</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 4 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Larry Iaquinto, Superintendent of Parks

DATE: 9/18/2012

SUBJECT: Request to approve a contract in the amount of \$186,576 with Fluid Resource Management for water/wastewater systems management at the Lopez Lake Recreational Area, District 4.

RECOMMENDATION

It is recommended that the Board approve and instruct Chairperson to sign the three-year contract with Fluid Resource Management for the management and operation of the Lopez Lake water/wastewater treatment plant and related facilities pursuant to the exception to the Request For Proposal process in the County's purchasing policy for contract services.

DISCUSSION

On June 3, 2008, your Board authorized a budgetary restructuring which transferred the responsibility for managing all aspects of the Lopez Lake Recreation Area from Public Works to GSA-Parks Division, including management of the park's internal water/wastewater systems. That consolidation was implemented on July 1, 2008, and required the Parks Division to assume management of the Fluid Resource Management (FRM) contract to operate the water treatment facilities. Since that date, County Parks staff has overseen the water/wastewater management service contract at Lopez Lake Recreation Area. On August 12, 2008 your Board approved a contract with FRM as a sole source operator to provide the maintenance of the water/wastewater for the treatment plant and related facilities for the Lopez Lake Recreational Area.

Over the course of the past four years FRM has provided the ongoing maintenance operations and management of the water/wastewater facilities, responded to emergency repairs and provided the required reporting data to regulatory agencies. The contract for these services recently expired July 1, 2012 and FRM is currently providing services on a month to month basis until a new contract could be developed and approved. As a result staff explored available options for the provision of operations maintenance at the Lopez Lake Recreation Area water/wastewater treatment plant and related facilities. It is necessary to utilize a firm that employs State certified water and wastewater system operators to meet the stringent regulatory demands on these facilities. Staff researched the availability of other providers and interviewed local agencies to inquire as to their water/wastewater treatment provision. The agencies interviewed provided their own operations maintenance and/or contracted with FRM for repairs or related projects. Through these efforts staff learned that FRM is currently the only firm in the region that provides contract operations and maintenance for water/wastewater facilities.

Parks staff has looked into the option of developing in-house expertise and obtaining certifications to assume these responsibilities. However, this remains a non-viable option due to staffing costs for multiple treatment plant operators to provide 24/7 coverage 365 days per year.

FRM has demonstrated significant experience with the operations of Lopez Lake water/wastewater facilities throughout the term of the existing contract. Staff supports approval of the attached contract for three-years with an annual renewal option for three successive one-year terms thereafter for a potential of 6 years of service, and waive the County's Request

for Proposal purchasing policy process for contract services.

OTHER AGENCY INVOLVEMENT/IMPACT

The Public Works Department originally endorsed the use of FRM and other professionals have indicated that FRM is a responsible contractor and the only available source for operational maintenance of water/wastewater plants in the area. Additionally, County Counsel has reviewed the services contract and has approved it as to form and legal effect.

FINANCIAL CONSIDERATIONS

The contract maintains the cost at the past contract pricing. The contract establishes a fixed monthly fee of \$11,548 or \$138,576 annually. It also establishes a payment schedule for non-routine services billed on a time and materials basis, not to exceed \$4,000 per month. The full anticipated annual costs, estimated at \$186,576, are included in the FY 2012-13 Parks budget. The implementation of this service contract reflects no new revenues or expenses but maintains a status quo budget expense for the services to continue.

RESULTS

Approval of this contract will provide for the continued certified operations and management of the water/wastewater systems at Lopez Lake Recreation Area, provide for required documentation and protect the health and safety of visitors and staff. Further, it will ensure Lopez Lake water/wastewater facilities remain in compliance with regulatory agencies and support County goals for providing a livable community and well governed services.

ATTACHMENTS

1. Proposed Service Contract with FRM for Lopez Lake Recreation Area
2. Lopez Lake Site Plan